UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF NORTH CAROLINA FAYETTEVILLE DIVISION

IN RE: CASE NO.

RONALD EUGENE GRAY FRANCES CHESTNUT GRAY 05-06012-8-ATS

DEBTORS

ORDER ALLOWING MOTION FOR TURNOVER

The matter before the court is the debtors' motion for turnover.

A hearing took place in Raleigh, North Carolina on September 22, 2005.

Ronald Eugene Gray and Frances Chestnut Gray filed a petition for relief under chapter 13 of the Bankruptcy Code on August 5, 2005. The debtors own a 1997 Buick LeSabre that they took to The Paint Shop for repairs prior to filing the petition. The Paint Shop is asserting a mechanic's lien on the vehicle for work performed, and it refuses to turn over the vehicle to the Grays. The debtors are willing to provide The Paint Shop with a secured claim to be paid inside the plan for the full amount of the debt owed, but The Paint Shop is not equipped to accept installment payments and does not wish to be paid over time. To complicate matters, The Paint Shop had completed the necessary repairs on or about the petition date, but when it learned that it would not be paid in full immediately, it removed the parts it had installed and returned them to its supplier.

The motion for turnover will be allowed, conditioned upon the debtors making their first payment to the chapter 13 trustee. Because The Paint Shop removed the parts on August 13, after the automatic stay was in place, it will be required to restore the vehicle to the condition it was in on the petition date. The court understands that all of the work ordered, with the exception of a front-end alignment, was complete as of August 5, 2005. The Paint Shop will have a secured claim in the amount of \$5,500, and it will be entitled to a lien on the

Based on the foregoing, THE PAINT SHOP IS DIRECTED TO TURN OVER
THE 1997 BUICK LESABRE TO THE DEBTORS WITHIN 10 DAYS OF THE DATE THE
DEBTORS MAKE THEIR FIRST PAYMENT TO THE CHAPTER 13 TRUSTEE. The
vehicle is to be restored to the condition it was in as of August 5,
2005.

vehicle that may be recorded with the North Carolina Division of Motor

SO ORDERED.

Vehicles.

DATED: September 23, 2005

A. Thomas Small

United States Bankruptcy Judge